

U.S. DEPARTMENT OF COMMERCE
Office of Inspector General



**PUBLIC
RELEASE**

BUREAU OF THE CENSUS

*Sacramento Dress Rehearsal
Identifies Needed Improvements
in Personnel Administration*

Audit Report No. STL-11052-8-0001 / September 1998

Office of Audits, Seattle Regional Office





UNITED STATES DEPARTMENT OF COMMERCE
The Inspector General
Washington, D.C. 20230

September 30, 1998

MEMORANDUM FOR: James F. Holmes
Acting Director
Bureau of the Census

FROM: Johnnie E. Frazier
Acting Inspector General

SUBJECT: *Sacramento Dress Rehearsal Identifies
Needed Improvements in Personnel Administration*
Final Audit Report No. STL-11052-8-0001
September 1998

Attached is the final report on our review of personnel administration during the Bureau of Census' Sacramento Dress Rehearsal. Four copies of the audit report have been sent to the Census audit liaison. Our findings and recommendations are highlighted in the executive summary beginning on page i and our complete recommendations are on pages 5, 11, 15, 18 and 20.

We have reviewed the Bureau's response to the draft report and appreciate the comments provided. Census concurred with most of our recommendations and has already initiated actions to adequately address those recommendations. The Bureau's response is summarized following each report segment's recommendations. The Bureau's entire response is included as Appendix I.

In accordance with DAO-213-5, you have a maximum of 60 days to submit, for our concurrence, an audit action plan for implementation for each of the report's recommendations. Exhibit 7 of the DAO should be used to format the audit action plan. The plan should include specific details and dates as to how and when each recommendation will be implemented. The plan must also include the rationale and/or legal basis for not implementing any of the recommendations.

Please inform the Office of Inspector General of the names of the key officials responsible for resolution of this audit. If you or those officials have any questions regarding preparation of the audit action plan, please contact Ray McIntosh, Regional Inspector General for Audits, Seattle Regional Office, at (206) 220-7970.

We appreciate the cooperation and courtesies extended to us by officials of the Bureau of the Census during the review.

Attachments

cc: Robert J. Shapiro, Under Secretary for Economic Affairs

CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY.....	i
INTRODUCTION	1
PURPOSE AND SCOPE	1
FINDINGS AND RECOMMENDATIONS	3
I. RECRUITING/SCREENING/HIRING GOALS AND OBJECTIVES ACHIEVED, BUT SOME PROCEDURES NEED IMPROVEMENT	3
Recommendations	5
Agency Response	6
OIG Comments	7
II. PAYROLL PROCESSING NEEDS TO BE IMPROVED	8
Recommendations	11
Agency Response	11
OIG Comments	13
III. SUPPLEMENTAL PAYMENT PROCESS WAS SLOW AND CONFUSING ..	14
Recommendations	15
Agency Response	15
OIG Comments	16
IV. EMPLOYEE EVALUATIONS WERE NOT DONE	17
Recommendations	18
Agency Response	18
OIG Comments	19
V. POLICIES AND PROCEDURES NEED TO BE DOCUMENTED AND ORGANIZED	20
Recommendation	20
Agency Response	21
OIG Response	21
APPENDIX I CENSUS BUREAU'S RESPONSE TO DRAFT AUDIT REPORT	

EXECUTIVE SUMMARY

The Bureau of the Census is mandated by the U.S. Constitution to provide the population counts needed to reapportion the House of Representatives every 10 years. The bureau fulfills this mandate by performing a decennial census. Before each decennial census, the bureau performs a dress rehearsal of planned operations, systems, procedures, and workflow. The 1998 Dress Rehearsal is designed to be the bureau's major test of all previously tested and some untested operations. The bureau is performing its dress rehearsals at Sacramento, California; Columbia, South Carolina; and the Menominee Indian Reservation in Keshena, Wisconsin.

The purpose of our review was to assess the administrative practices related to personnel at the Sacramento dress rehearsal. We observed administrative processes, interviewed staff, and evaluated documents at both the Seattle Regional Census Center and the Sacramento Local Census Office. Overall, we found that the administrative procedures were in compliance with Census guidelines, and were meeting the goals and objectives of the dress rehearsal. Our review did identify the need for some improvements in the following areas:

- **Recruiting/screening/hiring achieved goals, but some procedures need improvement.** Census estimated that the Sacramento dress rehearsal would require a pool of approximately 7,000 candidates. We found that the recruiting/screening/hiring procedures achieved the desired goals and objectives. The procedures at Sacramento resulted in an acceptable pool of candidates, the necessary numbers of workers were screened and hired, and overall the workforce was qualified and adequate for the required tasks. We did identify some internal controls related to verification procedures of applicants' prior employment and foreign language capabilities that need improvement. (See page 3.)
- **Payroll processing needs to be improved.** The dress rehearsal disclosed several problems in the Sacramento office's payroll processing system. The most serious problem is that the system accepts, processes, and pays employees who submit duplicate time sheets. We also found that documentation of employee time spent on training, overtime, and travel was not in compliance with Census procedures. In addition, the VISA check program needs additional clarification and guidance to eliminate unauthorized uses and correct errors and omissions. (See page 8.)
- **Supplemental Payment Process was slow and confusing.** The supplemental payment process is an employee incentive program that rewards field staff for achieving and maintaining a minimum productivity level in completing questionnaires. The process was not well understood by regional or local census staff, payments to field staff were slow and may not have been accurate, and quality control procedures were not being completely implemented. Consequently, the benefits of incentive pay may be lost. Problems with the computer system and unclear instructions and direction were identified as causing the process to operate inefficiently. (See page 14.)

- **Employee evaluations were not done.** Employee evaluations were not conducted for individuals employed in the Sacramento dress rehearsal. The Sacramento office hired about 900 employees during the dress rehearsal. Many employees worked in several Census operations during the dress rehearsal and will have the opportunity to be rehired for operations during the decennial census. However, because the local office did not complete employee evaluations, the bureau cannot easily identify which terminated employees should be rehired and which ones should not. We found that supervisors and managers were informally gathering lists of possible rehires. Census has the forms and database to formalize the process so that trained, experienced, and productive personnel can be identified for rehire. Another important reason for having accurate and complete information on employee terminations is to be able to adequately handle, and where appropriate, refute, unemployment claims. (See page 17.)
- **Policies and procedures need to be documented and organized.** Many administrative decisions, instructions, and procedures related to the Sacramento dress rehearsal were communicated orally, and were not organized and documented as required by sound management practices. We found at the Seattle regional center that documentation of policies and procedures was not well organized or up to date. We found that documentation at the Sacramento local office was generally adequate except for orally transmitted instructions and directives. (See page 20.)

Our recommendations are on pages 5, 11, 15, 18, and 20.

In response to the draft audit report, Census officials generally concurred with our recommendations, indicated that the recommendations had been resolved, or identified a reasonable alternative course of action. We commend the Bureau for its prompt and positive responses to our recommendations. However, the bureau did not concur with our recommendations regarding performance evaluations. After carefully considering the bureau's comments, we reaffirm those recommendations.

We have summarized the bureau's responses and have provided our comments after the appropriate sections of this report. We have included the bureau's complete response as Appendix I.

INTRODUCTION

The Bureau of the Census is mandated by the U.S. Constitution to provide the population counts needed to reapportion the House of Representatives every 10 years. The bureau fulfills this mandate by performing a decennial census, the nation's largest statistical data-gathering program, which provides data that affects governments, businesses, and private citizens.

Prior to each decennial census, the bureau traditionally performs a dress rehearsal of planned operations, systems, procedures, and workflow. Although the bureau tested some planned Census 2000 operations in 1995 and 1996, the 1998 dress rehearsal is designed to be the bureau's major test of all previously tested and some untested operations. The bureau is performing its dress rehearsals at Sacramento, California; Columbia, South Carolina; and the Menominee Indian Reservation in Keshena, Wisconsin. This report discusses our review of administrative procedures during the Sacramento dress rehearsal.

PURPOSE AND SCOPE

The purpose of our audit was to assess the administrative practices related to personnel at the Sacramento dress rehearsal. We observed administrative processes, interviewed staff, and evaluated documents at both the Seattle Regional Census Center and the Sacramento Local Census Office. We performed our on-site field work from March 16 to July 9, 1998, at the census dress rehearsal sites in Seattle and Sacramento. Our review evaluated processes used throughout the dress rehearsal period.

At the Seattle regional center, we interviewed personnel about procedures, practices, policies, and rationales for actions. We reviewed background documents, and analyzed census organization and the dress rehearsal processes. At the Sacramento local office, we reviewed the internal controls relating to the personnel management system, recruiting, hiring, training, payroll, travel and miscellaneous expense reimbursement. We found weaknesses in the internal controls and administrative management processes as discussed in the Findings and Recommendations section of our report.

In conducting our review, we relied on computer-processed data contained in the bureau's PAMS/ADAMS (Pre-application Administrative Management System/Administrative Decennial Administrative Management System) reports. We verified the accuracy of the data by comparing a sample of Census employee records to the computer data file. Despite finding some minor errors, we concluded that the data was sufficiently reliable for our analysis.

We did not evaluate compliance with federal laws and regulations, as our review objective was to assess administrative processes. Our review evaluated compliance with Census and generally accepted administrative and management procedures. With respect to items not tested, nothing

came to our attention that caused us to believe that the Seattle and Sacramento offices had not complied, in all material respects, with the appropriate provisions.

This review was conducted in accordance with generally accepted government auditing standards and was performed under the authority of the Inspector General Act of 1978, as amended, and Department Organization Order 10-13, dated May 22, 1980, as amended.

FINDINGS AND RECOMMENDATIONS

I. RECRUITING/SCREENING/HIRING GOALS AND OBJECTIVES ACHIEVED, BUT SOME PROCEDURES NEED IMPROVEMENT

Conducting a census requires large numbers of temporary workers. The bureau estimates that it will need approximately 500,000 temporary employees at the local offices to conduct Census 2000. The temporary workers fill positions as local office managers, enumerators, partnership specialists, media specialists, and clerks.

A pool of pre-tested applicants must be available to meet the temporary hiring demands. Census managers believe that 10 applicants must be available for each expected hire in order to ensure an adequate supply of acceptable candidates and to meet the expected turnover. Census estimated that the Sacramento dress rehearsal would require a pool of approximately 7,000 candidates.

We found that the recruiting/screening/hiring procedures during the Sacramento dress rehearsal achieved the desired goals and objectives. The procedures at Sacramento resulted in an acceptable pool of candidates, the necessary numbers of workers were screened and hired, and overall the workforce was qualified and adequate for the required tasks, as indicated by the fact that only a few employees were terminated for misconduct or poor performance.

In reviewing the personnel files of the 80 local office employees terminated as of June 3, 1998, we found that 41 were terminated because their six-month period of appointment expired, 20 resigned for personal reasons, 12 resigned for unknown reasons, and only 7 were terminated for poor job performance. Although the local office successfully recruited and screened an adequate pool of candidates and hired the necessary number of workers, we did identify the following internal control and other procedural areas where improvements can be made.

Verification Procedures for Applicants Could Be Improved

All applicant information is entered in the administrative management database from the Census Employment Inquiry form, which contains 31 questions addressing such matters as prior work experience, background information, language ability, and personal data. Also required is a written, multiple-choice test that measures the knowledge, skills, and abilities required to perform a variety of Census jobs. When individual test results are obtained, the raw score is penciled onto the application and also entered into the database.

The names of all applicants are submitted to Census headquarters for a Decennial Applicant Name Check, which is a criminal background review requiring three to five days to complete. Individuals passing this review become available for hire.

To evaluate the effectiveness, reliability, and accuracy of the Census employment screening and hiring process, we selected a random sample of 30 employees from a universe of 329 hired by the Sacramento office as of April 21, 1998. For each of these employees, we reviewed the completeness of the application and compared the data entered into the administrative management database with the data on the application. We tested the bureau's compliance with its procedures for verification of prior employment and non-English language skills data shown on the application.

We found that applications were generally complete and accurately entered into the database. Errors we found did not negatively affect the qualification of the applicants or their eligibility to be employed, and therefore were considered to be minor procedural errors. For example, three applications did not indicate the individual's raw score for the test, although the management database contained the converted test scores. And, in four instances, data fields in the application were completed, but the respective database fields were blank.

The bureau's verification of applicant data was less complete, and not in compliance with established procedures. According to Census procedures, verification of prior employment and language ability is required to be documented in the applicant's selection guide—form D-269. Yet, seven of the 30 employee files were missing job selection guides entirely. Other instances of missing verification data included:

- Fifteen of the applications did not have evidence that prior employers were contacted. Determining employee reliability and honesty is essential to achieve a reliable workforce.
- Nine of the 10 employees claiming a non-English language capability did not have any documentation or indication that their language ability was verified. Verifying the foreign language ability of applicants is necessary to ensure that Census questionnaires can be administered to non-English speaking residents, and therefore is essential to achieving a qualified workforce.

For those applicants whose employers were contacted, one former employer told the interviewer that the applicant was unreliable and did not show up for work. Another employer confirmed that an applicant had once been employed, but would not be rehired. In another case, an employer could not recall the applicant. In all three cases, the applicants was hired. We believe there was insufficient supervisory review of these three hiring decisions.

Only a Few Applicants with Language Skills Were Missed by the Administrative Management Database

A major challenge in Sacramento was to recruit sufficient workers with foreign language skills because the dress rehearsal included many neighborhoods where English is not the primary language. Workers with skills in various foreign languages are critical to successfully completing

census follow-up work in these neighborhoods. We conducted an analysis to test the ability of the administrative management system to generate a complete and accurate list of qualified applicants with language abilities.

Our analysis indicated that the system produced an adequate listing of applicants with foreign language skills. Only a few potential candidates were missed by the current procedures. We found that the reasons candidates' language skills were not identified included failures to pass the Decennial Applicant Name Check, errors by the database entry clerks, and instances where the actual language or dialect spoken by the candidate differed from the information keyed into the system.

Authorization Access for the Administrative Management System Needs Restriction

Another concern is employees' accessibility to the administrative management system. Currently, data processing users have wide access to the Census system. Sacramento managers told us the following problems occurred: changed settings to printers, unauthorized entry to program data panels, unauthorized changes to employee files, changes in payroll records, and unauthorized operation of the reset/reboot and the on/off processing unit buttons. The result of such abuse can lead to inaccurate candidate files, system downtime, and system failures.

Recommendations

We recommend that the Acting Director of the Bureau of the Census ensure that:

1. All applicants' prior employment and foreign language capabilities are verified as required by procedures.
2. Selection guides are completed and included in each applicant's file as required by Census procedures.
3. Applicant hiring decisions are reviewed by supervisors when questions arise regarding the suitability of applicants.
4. Language skills are correctly identified and keyed into the administrative system.
5. Access to the administrative management system databases is better controlled.

Agency Response

1. ***Ensure that all applicants' prior employment and foreign language capabilities are verified as required by procedures.***

The Bureau concurs: The D-517, *Testing and Selecting Manual*, provides procedures for conducting preemployment reference checks, as well as procedural guidance for evaluating bilingual applicants' English language proficiency when language is determined to be a selective factor by the selecting official. The Census Bureau is in the process of reviewing our procedures for preemployment reference checks, and we will reinforce the importance of following these procedures in a Regional Census Center Administrative Memorandum to all regional directors.

2. *Ensure that all selection guides are completed and included in each applicant's files as required by Census procedures.*

The Bureau concurs: Existing selection guides (D-269A-D) are intended to aid selecting officials in determining which applicants are best qualified for Local Census Office (LCO) positions. The Census Bureau will reinforce the requirement for using selection guides to interview all qualified candidates to ensure selections are made in accordance with merit system principles and EEO guidelines for fair and equitable treatment. The Census Bureau will underscore the importance of this issue and restate the need for management to ensure the inclusion of completed selection guides in applicant files through the issuance of a Regional Census Center (RCC), Administrative Memorandum to be issued to all regional directors.

3. *Ensure that applicant-hiring decisions are reviewed by supervisors when questions arise regarding the suitability of applicants.*

The Bureau concurs: Selection Aid instructions include guidance to selecting clerks on reviewing applications for employment suitability. Procedural guidance provides for a second-level review (by supervisory personnel) BEFORE applicants are determined to be unsuitable for hiring. Many factors are considered, including a review of selection interview results, reference checks with previous employers, and successful completion of a criminal history background check. The Field Division recently distributed a Regional Census Center Administrative Memorandum that provides additional guidance on making suitability determinations, including the reviews by higher-level managers, to ensure fair and equitable treatment of all applicants. For Census 2000 operations, the Census Bureau will update the administrative and recruiting office manuals to reflect the additional guidance provided in the memorandum.

4. *Ensure that language skills are correctly identified and keyed into the administrative system.*

The Bureau concurs: All applicants complete the BC-170, Census Employment Inquiry, which asks the applicants to indicate his or her ability to speak a language other than English and to identify the degree of proficiency. Applicant data are keyed and/or scanned into the automated Preemployment Administrative Management System (PAMS). In addition,

procedural guidance instructs the recruiting assistants to review applications at the time of testing to ensure all items are completed. The Census Bureau will further reinforce this requirement by addressing the importance of the application review process and subsequent data capture of all items in a Regional Census Center Administrative Management Memorandum.

5. *Ensure access to the administrative management system databases is better controlled.*

The Bureau concurs: Currently, access to the PAMS/ADAMS database is controlled by the PAMS/ADAMS staff at headquarters. The Regional Census Center Automation Supervisor is responsible for coordinating all requests for user identification with the headquarters staff. For Census 2000, we are implementing internal auditing procedures that will track all changes in the PAMS/ADAMS to the user level to ensure accountability for all personnel and payroll transactions. The Field division will update the D-581, *PAMS/ADAMS Operating Guide*, to include the user classes with appropriate controls when determining user classifications.

OIG Comments

We commend the Bureau for initiating actions to address our recommendations. The actions taken, in process, or planned will adequately address the recommendations.

II. PAYROLL PROCESSING NEEDS TO BE IMPROVED

The dress rehearsal disclosed several problems in the local office's payroll processing system. The most serious problem is that the system accepts, processes, and pays employees who submit duplicate time sheets. As currently designed, the automated administrative management system does not identify duplicate payments. Also, having audit clerks reviewing each payroll form did not identify the duplicate payments, and is not cost effective.

Our review of payroll processing also found that documentation of employee time spent in training, overtime, and travel was not in compliance with Census procedures. In addition, the VISA check program needs additional clarification and guidance to eliminate unauthorized uses and correct errors and omissions.

Administrative Management System Allows Duplicate Payroll and Expense Payments

The administrative management system is programmed to identify and trigger an error message if employees submit time sheets totaling more than 8 hours per day or 40 hours per week. However, the system is not programmed to identify employees who submit duplicate or overlapping time sheets totaling less than these figures.

During the dress rehearsal, the Sacramento administrative staff detected duplicate time sheets during routine filing of original time and attendance forms. The local managers initiated a manual review of all time sheets to determine the extent of the problem. The review found 121 instances of duplicate and overlapping employee time sheets totaling \$1,672. The duplicate time sheets were created when employees were reassigned to different geographic areas or tasks and different crew leaders during the same day. The daily time sheet form (D-308) provides only one data field for each geographic area and task. Rather than allocating the hours worked to the different areas or tasks, employees submitted more than one time sheet, sometimes with overlapping hours for different areas or tasks. The different time sheets were then signed by different crew leaders and submitted for processing.

Payroll Audit Function Did Not Identify Duplicate Payments

Sacramento audit clerks reviewed substantially all of the daily payroll forms. This function did not identify the duplicate payments discussed above. We reviewed the daily payroll forms for our sample of 30 employees. Most errors corrected by the audit clerks were changes in the number of hours worked based on the auditor clerk's review of the beginning and ending times reported on the form. The beginning and ending times reported are not entered into the employee database. In our opinion, more cost effective checks could be obtained by modifying the management system with an additional edit check to compare beginning and ending times with the hours submitted on the form.

Payroll Records Need Better Support for Time and Costs

The processing of daily employee payroll time sheets appeared to be adequate except for minor errors and omissions. However, our review of time sheets for a sample of 30 employees showed that documentation of employee time spent in training, overtime, and travel costs was not in compliance with Census procedures.

Complete training records were not kept by the Sacramento office or the Seattle regional office. The 30 employees reviewed allocated a total of 984 hours to training, but only 570 (58 percent) of the hours could be verified by available training records. The other 414 hours (42 percent) were unverified and totaled about \$3,500 of personnel cost (414 hours multiplied by \$8.50, an enumerator's starting hourly wage).

Census personnel procedures require that employees be paid accurately, which requires adequate support for time reported. The records to support training provided by the Sacramento office consisted of training class attendance lists, dates, locations, and instructors. Rosters for training held at the beginning of the dress rehearsal period appear to be the most incomplete, possibly because of the high turnover rate among recruiting staff.

Authorization for employee overtime was not documented in most instances. Our review found that 66 percent (82 of 124 hours) of overtime was processed and paid even though it had not been authorized or documented by an approved Overtime Authorization (Form CD-81). Census procedures require that the CD-81 be approved before overtime is incurred. The undocumented/unauthorized overtime hours are estimated to cost about \$1,055 (82.75 hours multiplied by \$12.75, an enumerator's hourly overtime wage rate).

Also, Census guidelines require that travel expenses over \$5 be supported by receipts. However, our review showed that only about 40 percent of the travel expenses exceeding \$5 were supported by receipts.

VISA Check Program Not Complying with Procedures

The purpose of the VISA check program is to provide advances so that employees can travel to training or their initial work location. Our review of the program during the dress rehearsal found several instances of non-compliance with established procedures.

At the time of our review, 206 VISA checks had been issued with a total value of \$17,875, for an average of about \$87 a check. Nineteen checks had been returned and voided. Program guidance in the administrative management system's manual states that all employees are eligible to receive an advance, including clerks. The checks are limited to an amount equal to six hours of pay, which for Sacramento would be \$75 for enumerators. The checks are completed by the local office

Assistant Manager for Administration and authorized by the local Office Manager. A hand-written check register, maintained by the Assistant Manager, contains the information stipulated by the manual--check number, issue date, employee name, social security number, check amount, and comments. A check receipt log recording the employee name, check amount, date of receipt, and employee signature is obtained to document check disbursement.

We examined the security and storage of unissued checks, reviewed the procedures for check issuance and receipt, and reconciled the checks written and cashed. Generally, we found the program followed established procedures. However, we also identified the following instances of noncompliance with procedures:

- Some VISA checks were issued to employees because their payroll checks were late. In 36 instances, VISA checks were issued due to late payroll in amounts of \$100, and one employee received three \$100 checks at the same time. No written documentation authorizing either the additional purpose or the larger amounts was available. The Assistant Manager for Administration stated that oral authorization for these actions was obtained from the regional census center.
- Some checks could not be accounted for. Three of the 19 checks returned could not be independently verified as being voided. According to the Assistant Manager, the three checks were voided and destroyed in compliance with the manual instructions. The other 16 were voided and retained with the copies of the checks at the request of the Sacramento manager. The administrative management system's manual states that checks not issued should be voided, destroyed, and disposed of. However, we believe that disposing of unissued checks prevents full verification and accountability for all checks.
- Some checks were issued without using proper procedures, thereby increasing the risk of misappropriation or misuse of funds and potentially limiting recovery of funds. Of the 206 checks issued, the check receipt log was improperly completed in 15 instances as follows: No employee signature was obtained (4 instances); individuals other than the employees were allowed to sign for receipt of the check (4 instances); the signature did not resemble the name of the employee (1 instance); the check number listed on the check receipt log was incorrect (4 instances); and instead of the receipt log being used, the employees certified receipt on separate pieces of paper, which could be more easily lost or misplaced (2 instances).

Recommendations

We recommend that the Acting Director of the Bureau of the Census ensure that:

1. The daily time sheet (Form D-308) be modified so that time worked by an employee in multiple assignment areas on a single day can be recorded on one form.

2. The automated pay system (ADAMS) be modified so that multiple daily time sheets for an employee are flagged on an exception report for review and validation by an appropriate official.
3. Complete training records are kept so that Census can compare the attendance records with the daily payroll sheets.
4. Procedures be modified so that managers have an option to either give advanced written approval for overtime or approve a limited amount of overtime, after the fact, when an employee can adequately document that advance approval was not practical and that the overtime was necessary and the most efficient use of government funds for accomplishing an assigned task.
5. Census does not reimburse employees for expenses over \$5 if receipts are not attached to payroll forms.
6. Specific procedures be published to require that all parts of a check be completed when issued, and that distribution of the checks be adequately controlled and safeguarded, which includes maintaining a check register.

Agency Response

1. *Ensure that the daily time sheet (Form D-308) is modified so that time worked by an employee in multiple assignment areas on a single day can be recorded on one form.*

Problem resolved: The Census Bureau has lifted the requirement that enumerators submit multiple time sheets for multiple assignments. In Census 2000, enumerators will submit one time sheet for the entire workday.

2. *Ensure that the automated pay systems (ADAMS) be modified so that multiple daily time sheets for an employee are flagged on an exception report for review and validation by an appropriate official.*

The Bureau concurs: The Census Bureau will review current procedures and system requirements needed to develop an edit that will identify multiple and/or duplicate time sheets submitted for the same day and generate an exception list for review by appropriate payroll/personnel staff.

3. *Ensure that complete training records are kept so that Census can compare the attendance records with the daily payroll sheets.*

The Bureau agrees that the issue is important, but believes it is better addressed through the following: The current system already includes a built-in check that ties actual training

participation of selected employees to the payroll process and ensures that selected employees who are paid for training activities actually reported to training. Procedures have been implemented to address this concern. The Census Bureau has made modifications to PAMS to require the automated creation of the D-275, *Record of Training*, when applicants are selected for positions. The D-275 is printed and attached to the appointment folders for use by the trainers (Crew Leaders). Trainers are instructed to indicate the applicant's status on the D-275 (that is, whether or not the applicant showed up for training). The daily pay and work record (D-308) will not be accepted unless the selectee attended training and the Trainer/Crew Leader has signed the D-308. The D-275 is used to update the applicant's status in the PAMS/ADAMS system, and without the status being updated daily, pay sheets are not accepted.

4. ***Ensure that procedures are modified so that managers have an option to either give advanced written approval for overtime or approve a limited amount of overtime, after the fact, when an employee can adequately document that advance approval was not practical and that the overtime was necessary and the most efficient use of government funds for accomplishing an assigned task.***

The Bureau concurs: The Census Bureau will send a Regional Census Center Administrative Management Memorandum to the regional directors documenting the existing overtime procedures. Overtime can be approved verbally in advance by the Area Managers, and followed up with written approval on Form CD-81, *Request for Authorization of Overtime and Compensatory Hours*, by the regional director or the assistant regional census manager. The Census Bureau will provide enough flexibility at the regional level to approve a limited amount of overtime after the fact, as justified, on a case-by-case basis. However, the Census Bureau is not inclined to establish a broad policy on this issue due to the large numbers of employees expected to be hired for Census 2000, and the opportunities such a policy would create for fraud and abuse.

5. ***Ensure that Census does not reimburse employees for expenses over \$5 if receipts are not attached to payroll forms.***

The Bureau concurs: Currently, Census Bureau auditing procedures require clerks to disallow claims over \$5 if receipts are not attached. For Census 2000, the Census Bureau will modify the ADAMS to give a warning message to data entry clerks who key in the amount of reimbursements to remind them of the documentation requirement. In addition, the Census Bureau will reemphasize this requirement in a Regional Census Center Administrative Memorandum to the regional directors.

6. *Ensure that specific procedures be published to require that all parts of a check be completed when issued, and that distribution be adequately controlled and safeguarded, which includes maintaining a check register.*

Problem resolved: For Census 2000 address listing, the Census Bureau has canceled the use of the VISA check program and replaced the VISA checks with American Express Travelers Checks. The Census Bureau has issued revised program guidance and implementation instructions in a Regional Census Center Administrative Memorandum to all regional directors. Administrative control procedures are in place that include safeguarding checks in a locked safe with controlled and limited access, control registers that identify travelers checks serial numbers, date of issuance, and signature of employee (certifying the receipt of the check). The Field Division's Decennial Personnel/Payroll staff at headquarters, along with the Finance Division, are monitoring the issuance of the checks, as well as reviewing weekly payroll deduction registers produced by the ADAMS to ensure the deductions are being made by Regional Census Center (RCC) administrative staff.

OIG Comments

We commend the Bureau for initiating actions to adequately address our recommendations. The actions taken, in process, or planned will adequately address recommendations #2-6. With respect to recommendation #1, implementation of that recommendation would enable the bureau to continue its previous method of tracking each assignment's work area. However, we defer to Census officials' judgment in lifting the requirement for enumerators to submit multiple time sheets for multiple assignments. Therefore, it will not be necessary for the bureau's audit action plan prepared in response to this final report to address recommendation #1.

III. SUPPLEMENTAL PAYMENT PROCESS WAS SLOW AND CONFUSING

The Supplemental Payment Process is an employee incentive program that rewards field staff for achieving and maintaining a minimum productivity level for completing questionnaires. The process was not well understood by regional or local census staff, payments to field staff may not have been accurate and were slow in being made, and quality control procedures were not being completely implemented. Many of the benefits of incentive pay may be lost because payments are slow in being made, employee eligibility is not being accurately determined, and the accurate amounts of payments cannot be verified. Problems with the computer system and unclear direction were identified as causing the process to run inefficiently.

Supplemental bonus payments are available for the non-response follow-up operation and are payable on a weekly production basis and on a one-time basis for the entire period of the operation. Employees eligible for the weekly payment must complete all assignments, maintain a minimum production rate of 1.75 cases per hour, remain available for additional assignments, pass an internal quality review, and work at least six hours on the weekend. For example, for meeting the weekly bonus criteria, an enumerator will receive a weekly bonus of \$1.00 for each questionnaire correctly completed. The end of the operation bonus payment requires enumerators to work an average of six hours per available weekend during the period of non-response follow-up, and maintain an average productivity level of at least 1.75 cases per hour over the period. The bonus pay for meeting this criteria is \$1.35 for each correctly completed questionnaire.

The staff at the Sacramento office and the Seattle regional center were unsure as to whether the process was operating as intended. Neither regional nor local Census officials could clearly explain and demonstrate how the process should work. They also lacked confidence in the accuracy of the list and could not verify the accuracy of the bonus amounts for individuals listed on the supplemental payment report. The officials attributed their lack of confidence to program weaknesses and software errors, such as weekend hours being incorrectly identified and computed.

The process's internal quality review consists of a computer analysis of the submitted questionnaires and a more extensive manual review by a local operations supervisor of questionable cases, which are flagged by computer analysis. All questionable cases should be deducted from an employee's weekly and total production quantities. We found that the quality reviews were being conducted but questionable cases were not being deducted from employee production levels. The local operations staff stated that they were instructed by Census headquarters to not reduce employee productivity levels for questionable cases, thereby potentially allowing employees to be paid for false productivity levels.

In its July 7, 1998, supplemental payment report, Census listed 351 employees at the Sacramento office as being eligible for supplemental pay: 316 enumerators eligible for the weekly bonus pay, and 9 clerical staff and 26 enumerators eligible for the end-of-operation bonus. However, the Assistant Manager for Administration deemed the report inaccurate because a low number of weekend hours was cited as worked during the report period, and the period covered eight days.

To verify the accuracy of the report, Sacramento staff were manually reviewing the daily production reports for all 630 enumerators.

Our review of a random sample of 25 local office employees included 11 enumerators who qualified for the weekly bonus during the non-response follow-up. As of July 14, 1998 (18 days after the follow-up had ended), only 2 of 11 enumerators identified as being eligible had actually received bonus payments.

Recommendations

We recommend that the Acting Director of the Bureau of the Census ensure that:

1. Problems with the administrative management system are resolved so that supplemental payments are issued promptly and accurately.
2. Policies and procedures on supplemental pay are clarified and disseminated to all managers and employees, including thorough definitions of the criteria for completing all assignments.
3. All supplemental payment criteria are applied, including quality control reviews.
4. Reliable supplemental payment reports are issued to the regional centers and local offices, including listing qualified applicants, the amounts they should be paid, and the amounts they have been paid.

Agency Response

1. ***Ensure that problems with the administrative management system are resolved so that supplemental payments are issued promptly and accurately.***

The Bureau concurs: The Census Bureau will establish a “Supplemental Pay Work Group” consisting of Dress Rehearsal administrative staff, field staff, and Decennial Management Division staff to review all issues related to supplemental pay, policies, and procedures, and to develop recommendations regarding the future of the Census 2000 Supplemental Pay program.

2. ***Ensure that policies and procedures on supplemental pay are clarified and disseminated to all managers and employees, including thorough definitions of the criteria for completing all assignments.***

The Bureau concurs: The Census Bureau will establish a “Supplemental Pay Work Group” consisting of Dress Rehearsal administrative staff, field staff, and Decennial Management Division staff to review all issues related to supplemental pay, policies, and procedures, and to develop recommendations regarding the future of the Census 2000 Supplemental Pay program.

3. *Ensure that all supplemental payment criteria are applied, including quality control reviews.*

The Bureau concurs: The Census Bureau will establish a “Supplemental Pay Work Group” consisting of Dress Rehearsal administrative staff, field staff, and Decennial Management Division staff to review all issues related to supplemental pay, policies, and procedures, and to develop recommendations regarding the future of the Census 2000 Supplemental Pay program.

4. *Ensure that reliable supplemental payment reports are issued to the regional centers and local offices, including listing qualified applicants, the amounts they should be paid, and the amounts they have been paid.*

The Bureau concurs: The Census Bureau will establish a “Supplemental Pay Work Group” consisting of Dress Rehearsal administrative staff, field staff, and Decennial Management Division staff to review all issues related to supplemental pay, policies, and procedures, and to develop recommendations regarding the future of the Census 2000 Supplemental Pay program.

OIG Comments

We commend the Bureau for identifying actions to address our recommendations. The actions planned will, if implemented, adequately address recommendations #2-4. However, with respect to recommendation #1, while the Census response states the actions to be taken for Census 2000, it does not mention any efforts already in place by the bureau to address the specific problems, as described above, encountered during the dress rehearsal. These efforts should be detailed in the bureau’s audit action plan prepared in response to this final report.

IV. EMPLOYEE EVALUATIONS WERE NOT DONE

Employee evaluations have not been performed for individuals employed in the Sacramento dress rehearsal. Productive personnel are being identified and recommended for rehire only on an informal basis, even though Census has the personnel forms and database to produce formal evaluations.

Capable, productive employees are necessary to meet the timeliness goals required by Census. To ensure that enough qualified employees are obtained, the bureau strives to recruit 10 applicants for every position to be filled. The Sacramento office recruited about 9,500 applicants and hired about 900. Many of the 900 individuals worked in multiple Census operations during the dress rehearsal and will have the opportunity to be rehired for operations during the decennial census. However, because it is not performing employee evaluations, the bureau cannot identify which terminated employees are capable and productive and therefore should be rehired.

Census procedures and forms provide a method for evaluating employee performance on a limited basis. The form D-291, which initiates official personnel actions and is the basis for updating the administrative management database, contains a field that can be used to expand on explanations of personnel actions. At the end of the dress rehearsal, most of the enumerators and many clerical staff were terminated for lack of work. However, Census staff will be recruited for other local offices during decennial operations. In the Sacramento County area, two local offices will be opening for the decennial operation. To reduce organization confusion at the new offices, Census plans to rehire the most capable, knowledgeable and productive staff used in the dress rehearsal for key positions in the new offices. To maximize efficient operations, Census is informally identifying such staff from the dress rehearsal operations for rehire.

We reviewed the personnel files of 100 employees to determine whether there was any indication as to which of them should or should not be rehired. Although the D-291 form can accommodate evaluations in the "Comments" field, it was not being used. In the 100 files reviewed, only two forms had evaluation comments. One form recommended that the employee be rehired; the other recommended that the employee not be hired. Upon reviewing the administrative database for these individuals, we found that the recommendations had not been entered. We also found that Census supervisors and managers were informally gathering lists of employees that were being recommended for rehire. According to one supervisor, this was being done at the request of the regional center.

Rather than identifying employees recommended for rehire on an informal basis, Census needs to formalize the process so that, as much as possible, trained and experienced personnel are rehired. Taking this action will reduce unnecessary recruiting and training efforts.

Another important reason for having accurate and complete information on employee terminations is to be able to adequately handle, and where appropriate, refute, unemployment claims. A 1994 OIG inspection found that inadequate or incomplete documentation was a common problem in

the 1990 Decennial Census, after which the bureau received more than 100,000 requests for wage and separation information, and the government paid \$64 million in decennial-related unemployment compensation. The report concluded that millions of dollars in savings would result from having better management control in this area. We believe the same holds true for the 2000 decennial.

Recommendations

We recommend that the Acting Director of the Bureau of the Census ensure that:

1. Formal evaluations are prepared for all employees, and that rehire recommendations are documented to assist in rehiring decisions during Census 2000.
2. Evaluations of all employees whose performance is not acceptable is documented in the administrative management system.

Agency Response

1. *Ensure that formal evaluations are prepared for all employees, and that rehire recommendations are documented to assist in rehiring decisions during C2K.*

The Bureau does not concur: The Census Bureau requested and received approval from the Department of Commerce and the Office of Personnel Management to exclude census field workers from the General Work Force Performance Appraisal System requirements as defined in the Code of Federal Regulations, Part 430. The reason for this request was to alleviate temporary supervisors from the responsibility of evaluating employee performance that otherwise meets performance standards for these positions. Both administrative and field operations manuals provide specific guidance to Census supervisors on dealing with problem performers and conduct problems. Supervisors are required to complete forms D-283 and D-282, *Documentation of Performance and Conduct Problems*, that are attached to the D-150, *Personnel Action Request*, when submitted to the administrative staff in the LCO. The PAMS/ADAMS Operating Manual provides guidance to personnel clerks for processing Discharge separation actions with the appropriate personnel action code.

The Census Bureau has recently modified the PAMS/ADAMS to exclude previous employees who were terminated for cause from the D-425, *Selection Record*. Only former employees who were separated in good standing and/or resigned their position will be listed as experienced employees (as long as the former employee was separated within the last 6 months) separately on the selection certificates. This will allow census-selecting officials to re-employ desirable, experienced employees before employing new applicants. Former employees who did not work for the Census Bureau within the preceding 6 months, and were not previously discharged for cause, will be treated as new applicants and subject to employment suitability reviews.

2. *Ensure that evaluations of all employees whose performance is not acceptable is documented in the administrative management systems.*

Problem resolved: See previous response regarding documentation procedures for poor performing employees.

OIG Comments

We are not recommending that Census implement any additional systems for performance evaluations of temporary workers. We are recommending that Census utilize an existing data field in Census form D-291 to document evaluation comments for all employees. We believe that the benefits, namely identification of good and poor performing workers and information critical to unemployment compensation determinations, are significantly greater than the cost of entering the data in the ADAMS system. We therefore reaffirm our recommendations regarding employee evaluations.

**V. POLICIES AND PROCEDURES NEED
TO BE DOCUMENTED AND ORGANIZED**

Many administrative decisions, instructions, and procedures related to the dress rehearsal were communicated orally and were not documented as required by sound management practices. An example is the undocumented decision to use VISA checks for salary advances as a response to late payroll checks.

Most local office documentation consisted of manuals, amendments, memorandums, and E-mail, all of which were kept in files by the office manager. We found, however, that many oral instructions and directives were not adequately documented, and were not available to all managers and employees in an organized and documented format.

Census guidelines encourage consistent operational processes among all local offices, as evidenced by Memorandum No. 98-42, which identifies Census offices and individuals responsible for different issues. For example, guidance regarding oversight and liaison is to be provided by the Budget, Management, Oversight Liaison Staff, which will designate its memos as Decennial Oversight and Liaison Memorandums No. 98-01, 02, etc..

To determine whether all administrative policies and procedures were available, complete, and updated at both the Seattle regional center and the Sacramento office, we requested and reviewed all policy and procedure documentation. We found at the regional center that policies and procedures were not well organized or up-to-date. The center administrative staff could locate memoranda only in response to our specific requests, could not ensure that copies of all memoranda were obtained, and were unsure as to how to order replacements.

At the Sacramento office, all manuals, amendments, memoranda, and E-mails were kept permanently in a central location, in designated notebooks at the manager's desk. Copies were also distributed to appropriate supervisory personnel. We inventoried the available administrative related policies and procedures and verified the presence of applicable documents at the local office. We found that documentation was generally complete at the local office except for orally transmitted instructions and directives.

Recommendation

We recommend that the Acting Director of the Bureau of the Census ensure that:

1. Regional center managers require that all administrative and program instructions that have been provided orally also be communicated as written documents.

Agency Response

1. *Ensure that Regional Census Center managers require that all administrative and program instructions that have been provided orally also be communicated as written documents.*

The Census Bureau concurs with the intent of this recommendation: The responsibility for ensuring written administrative and program guidance for decennial activities lies with Census Bureau headquarters, not the RCCs. The Census Bureau recently consolidated a list of all memorandum series that are issued by field headquarters for use by the RCCs. Each memorandum series was identified by a brief description and the names of appropriate contacts to call to obtain additional copies. The Field Division, in conjunction with the RCCs, developed generic cc:MAIL accounts to ensure the distribution of all memoranda to a centralized location. RCC staff is responsible for disseminating copies of these memoranda (which includes administrative and program instructions) to the LCOs, as appropriate. This provides for consistency in implementing administrative and operational procedures and should ensure the written documentation of Bureau-wide policies and procedures.

OIG Comments

We concur with Census' proposed course of action. We commend the Bureau for initiating actions to adequately address our recommendation.




APPENDIX 1

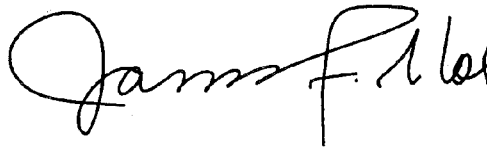
UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
Washington, DC 20233-0001

OFFICE OF THE DIRECTOR

SEP 30 1998

MEMORANDUM FOR George E. Ross
Assistant Inspector General for Auditing

Through: Robert J. Shapiro 
Under Secretary for Economic Affairs

From: James F. Holmes 
Acting Director

Subject: Sacramento Dress Rehearsal Identifies Needed Improvements
in Personnel Administration
Draft Audit Report No. STL-11052-8-XXXX

This is in response to your memorandum of August 31, 1998, transmitting the above-referenced draft audit report regarding the Sacramento Dress Rehearsal. The purpose of the Dress Rehearsal is to identify any technical and operational difficulties in the Census 2000 plan with the full expectation that there will be some difficulties. The success of the Dress Rehearsal can be gauged by its ability to provide the Bureau with information about what worked well and what areas need improvement. A successful Dress Rehearsal will also provide the Bureau with ideas with how to improve operations that did not function as well as expected. On this measure, the Dress Rehearsal has been a success, not only because the Census Bureau was able to hire sufficient staff, achieve targeted mail response rates, and complete operations on schedule, but also because we did learn about areas where we need make improvements, some of which have already been addressed. Indeed, the Office of Inspector General (OIG) has been very helpful in working with the Bureau to identify these areas of concern, and the Bureau is appreciative of the OIG's input.

Your report includes the following recommendations:

I-1) Ensure that all applicants' prior employment and foreign language capabilities are verified as required by procedures.

The Bureau concurs: The D-517, *Testing and Selecting Manual*, provides procedures for conducting preemployment reference checks, as well as procedural guidance for evaluating bilingual applicants' English language proficiency when language is determined to be a selective factor by the selecting official. The Census Bureau is in the process of reviewing our procedures for preemployment reference checks, and we will reinforce the importance of following these procedures in a Regional Census Center Administrative Memorandum to all regional directors.

I-2) Ensure that all selection guides are completed and included in each applicant's files as required by Census procedures.

The Bureau concurs: Existing selection guides (D-269A-D) are intended to aid selecting officials in determining which applicants are best qualified for Local Census Office (LCO) positions. The Census Bureau will reinforce the requirement for using selection guides to interview all qualified candidates to ensure selections are made in accordance with merit system principles and EEO guidelines for fair and equitable treatment. The Census Bureau will underscore the importance of this issue and restate the need for management to ensure the inclusion of completed selection guides in applicant files through the issuance of a Regional Census Center (RCC), Administrative Memorandum to be issued to all regional directors.

I-3) Ensure that applicant-hiring decisions are reviewed by supervisors when questions arise regarding the suitability of applicants.

The Bureau concurs: Selection Aid instructions include guidance to selecting clerks on reviewing applications for employment suitability. Procedural guidance provides for a second-level review (by supervisory personnel) BEFORE applicants are determined to be unsuitable for hiring. Many factors are considered, including a review of selection interview results, reference checks with previous employers, and successful completion of a criminal history background check. The Field Division recently distributed a Regional Census Center Administrative Memorandum that provides additional guidance on making suitability determinations, including the reviews by higher-level managers, to ensure fair and equitable treatment of all applicants. For Census 2000 operations, the Census Bureau will update the administrative and recruiting office manuals to reflect the additional guidance provided in the memorandum.

I-4) Ensure that language skills are correctly identified and keyed into the administrative system.

The Bureau concurs: All applicants complete the BC-170, Census Employment Inquiry, which asks the applicants to indicate his or her ability to speak a language other than English and to identify the degree of proficiency. Applicant data are keyed and/or scanned into the automated Preemployment Administrative Management System (PAMS). In addition, procedural guidance instructs the recruiting assistants to review applications at the time of testing to ensure all items are completed. The Census Bureau will further reinforce this requirement by addressing the importance of the application review process and subsequent data capture of all items in a Regional Census Center Administrative Management Memorandum.

I-5) Ensure access to the administrative management system databases is better controlled.

The Bureau concurs: Currently, access to the PAMS/ADAMS database is controlled by the PAMS/ADAMS staff at headquarters. The Regional Census Center Automation Supervisor is responsible for coordinating all requests for user identification with the headquarters staff. For Census 2000, we are implementing internal auditing procedures that will track all changes in the PAMS/ADAMS to the user level to ensure accountability for all personnel and payroll transactions. The Field Division will update the *D-581, PAMS/ADAMS Operating Guide*, to include the user classes with appropriate controls when determining user classifications.

II-1) Ensure that the daily time sheet (Form D-308) is modified so that time worked by an employee in multiple assignment areas on a single day can be recorded on one form.

Problem resolved: The Census Bureau has lifted the requirement that enumerators submit multiple time sheets for multiple assignments. In Census 2000, enumerators will submit one time sheet for the entire workday.

II-2) Ensure that the automated pay systems (ADAMS) be modified so that multiple daily time sheets for an employee are flagged on an exception report for review and validation by an appropriate official.

The Bureau concurs: The Census Bureau will review current procedures and system requirements needed to develop an edit that will identify multiple and/or duplicate time sheets submitted for the same day and generate an exception list for review by appropriate payroll/personnel staff.

III-3) Ensure that complete training records are kept so that Census can compare the attendance records with the daily payroll sheets.

The Bureau agrees that the issue is important, but believes it is better addressed through the following: The current system already includes a built-in check that ties actual training participation of selected employees to the payroll process and ensures that selected employees who are paid for training activities actually reported to training. Procedures have been implemented to address this concern. The Census Bureau has made modifications to PAMS to require the automated creation of the D-275, *Record of Training*, when applicants are selected for positions. The D-275 is printed and attached to the appointment folders for use by the trainers (Crew Leaders). Trainers are instructed to indicate the applicant's status on the D-275 (that is, whether or not the applicant showed up for training). The daily pay and work record (D-308) will not be accepted unless the selectee attended the training and

the Trainer/Crew Leader has signed the D-308. The D-275 is used to update the applicant's status in the PAMS/ADAMS system, and without the status being updated daily, pay sheets are not accepted.

II-4) Ensure that procedures are modified so that managers have an option to either give advanced written approval for overtime or approve a limited amount of overtime, after the fact, when an employee can adequately document that advance approval was not practical and that the overtime was necessary and the most efficient use of government funds for accomplishing an assigned task.

The Bureau concurs: The Census Bureau will send a Regional Census Center Administrative Management Memorandum to the regional directors documenting the existing overtime procedures. Overtime can be approved verbally in advance by the Area Managers, and followed up with written approval on Form CD-81, *Request for Authorization of Overtime and Compensatory Hours*, by the regional director or the assistant regional census manager. The Census Bureau will provide enough flexibility at the regional level to approve a limited amount of overtime after the fact, as justified, on a case-by-case basis. However, the Census Bureau is not inclined to establish a broad policy on this issue due to the large numbers of employees expected to be hired for Census 2000, and the opportunities such a policy would create for fraud and abuse.

II-5) Ensure that Census does not reimburse employees for expenses over \$5 if receipts are not attached to payroll forms.

The Bureau concurs: Currently, Census Bureau auditing procedures require clerks to disallow claims over \$5 if receipts are not attached. For Census 2000, the Census Bureau will modify the ADAMS to give a warning message to data entry clerks who key in the amount of reimbursements to remind them of the documentation requirement. In addition, the Census Bureau will reemphasize this requirement in a Regional Census Center Administrative Memorandum to the regional directors.

II-6) Ensure that specific procedures be published to require that all parts of a check be completed when issued, and that distribution be adequately controlled and safeguarded, which includes maintaining a check register.

Problem resolved: For Census 2000 address listing, the Census Bureau has canceled the use of the VISA check program and replaced the VISA checks with American Express Travelers Checks. The Census Bureau has issued revised program guidance and implementation instructions in a Regional Census Center Administrative Memorandum to all regional directors. Administrative control procedures are in place that include

safeguarding checks in a locked safe with controlled and limited access, control registers that identify travelers checks serial numbers, date of issuance, and signature of employee (certifying the receipt of the check). The Field Division's Decennial Personnel/Payroll staff at headquarters, along with the Finance Division, are monitoring the issuance of the checks, as well as reviewing weekly payroll deduction registers produced by the ADAMS to ensure the deductions are being made by Regional Census Center (RCC) administrative staff.

III-1) Ensure that problems with the administrative management system are resolved so that supplemental payments are issued promptly and accurately.

The Bureau concurs: The Census Bureau will establish a "Supplemental Pay Work Group" consisting of Dress Rehearsal administrative staff, field staff, and Decennial Management Division staff to review all issues related to supplemental pay, policies, and procedures, and to develop recommendations regarding the future of the Census 2000 Supplemental Pay program.

III-2) Ensure that policies and procedures on supplemental pay are clarified and disseminated to all managers and employees, including thorough definitions of the criteria for completing all assignments.

See response to Recommendation III-1.

III-3) Ensure that all supplemental payment criteria are applied, including quality control reviews.

See response to Recommendation III-1.

III-4) Ensure that reliable supplemental payment reports are issued to the regional centers and local offices, including listing qualified applicants, the amounts they should be paid, and the amounts they have been paid.

See response to Recommendation III-1.

IV-1) Ensure that formal evaluations are prepared for all employees, and that rehire recommendations are documented to assist in rehiring decisions during C2K.

The Bureau does not concur: The Census Bureau requested and received approval from the Department of Commerce and the Office of Personnel Management to exclude census field workers from the General Work Force Performance Appraisal System requirements as defined in the Code of Federal Regulations, Part 430. The reason for this request was to alleviate temporary supervisors from the responsibility of evaluating employee performance that otherwise meets performance standards for these positions. Both administrative and field operations manuals provide specific guidance to census supervisors on dealing with problem performers and conduct problems. Supervisors are required to complete forms D-283 and D-282, *Documentation of Performance and Conduct Problems*, that are attached to the D-150, *Personnel Action Request*, when submitted to the administrative staff in the LCO. The PAMS/ADAMS Operating Manual provides guidance to personnel clerks for processing Discharge separation actions with the appropriate personnel action code.

The Census Bureau has recently modified the PAMS/ADAMS to exclude previous employees who were terminated for cause from the D-425, *Selection Record*. Only former employees who were separated in good standing and/or resigned their position will be listed as experienced employees (as long as the former employee was separated within the last 6 months) separately on the selection certificates. This will allow census-selecting officials to re-employ desirable, experienced employees before employing new applicants. Former employees who did not work for the Census Bureau within the preceding 6 months, and were not previously discharged for cause, will be treated as new applicants and subject to employment suitability reviews.

IV-2) Ensure that evaluations of all employees whose performance is not acceptable is documented in the administrative management systems.

Problem resolved: See response to Recommendation IV-1 regarding documentation procedures for poor performing employees.

V-1) Ensure that Regional Census Center managers require that all administrative and program instructions that have been provided orally also be communicated as written documents.

The Census Bureau concurs with the intent of this recommendation: The responsibility for ensuring written administrative and program guidance for decennial activities lies with Census Bureau headquarters, not the RCCs. The Census Bureau recently consolidated a list of all memorandum series that are issued by field headquarters for use by the RCCs. Each memorandum series was identified by a brief description and the names of appropriate contacts to call to obtain additional copies. The Field Division, in conjunction with the RCCs, developed generic cc:MAIL accounts to ensure the distribution of all memoranda to a centralized location. RCC staff is responsible for disseminating copies of these memoranda (which includes administrative and program instructions) to the LCOs, as appropriate. This provides for consistency in implementing administrative and operational procedures and should ensure the written documentation of Bureau-wide policies and procedures.